Career Crossroads

The Talent Migration from Finance to Tech

Real or Overrated?

A Toigo Foundation – Russell Reynolds Study

TOIGO
Bringing Diversity to Life

Russell Reynolds Associates

By all accounts, the career paths of today's professionals are dramatically different from the generations prior.

Shorter tenures, an expectation of freedom and flexibility in work arrangements, a desire for tighter alignment between personal values and an employer's mission are clear and defining differences of today's workforce. But there's more to the story around employment and career than a punch list of differences.

We've witnessed throughout our broader network and in the finance industry at large, a steady undercurrent of senior level talent shifting their career paths from finance organizations to a mix of sectors, including technology. We've also sensed a sustained shift in mindset, one in which employees are seeking a place of employment that reflects their values or where they feel a direct impact from the contributions they make. What they are seeking is greater alignment. While this expectation was first attributed to the Millennial generation, more senior professionals are also looking for tighter alignment of work and life—an ethos that extends beyond the traditional "life/work balance" elements. Therein lies the lure of technology companies, a growing number of high visibility, mission-focused organizations both established and emerging that present an enticing work environment and desired "cool factor."

It is these observations, coupled with concerns expressed by recruiting professionals, that prompted Toigo to explore the trend further and determine if the migration from finance is real or overrated. What are the primary drivers—the real why's behind professionals opting out of finance? What role has the emergence of FinTech played (if any) in serving as the magical bridge between the two sectors? What should finance organizations and the finance industry more broadly be thinking about (and acting on) to stem the flow—to provide those "on the fence" a clear rationale to stay in finance and ensure those deeply committed to be retained and remain rooted?

Toigo invited Russell Reynolds, one of the world's largest and most respected executive search firms, to collaborate in presenting **Career Crossroads: The Talent Migration from Finance to Tech—Real or Overrated?** Our report combines data gathered from a survey of finance professionals with six to ten years post-MBA work experience. These survey respondents were representative of the talent at large across a global mix of firms from insurance to asset management to investment banking, including a mix of genders and ethnicities. In addition to survey results, **Career Crossroads** also includes take-aways from a mix of focus group discussions Toigo conducted with an impressive group of rising professionals. During these conversations, professionals were invited to elaborate on survey-related findings and trends. They provided a look into the future of recruiting of next generation talent with commentary that was candid, considered and thoughtfully communicated.

Career Crossroads is presented as a conversation starter—a clarion call to take a closer look at talent movement. The report provides thoughtful perspectives on talent recruitment and retention issues, as well as an invitation for internal teams to give careful consideration and strategic focus to the topics. We believe the combination of the data findings and anecdotal evidence to be a powerful one-two combination.

Talent—both recruiting and retention of it—is an essential issue for any organization and industry. Toigo's commitment to support the finance industry through messages and strategies that foster advancement and retention is resolute. We invite you to utilize this thought leadership to spark new conversations and exploration that will benefit your team, as well as Toigo and Russell Reynolds. If left unexamined and unaddressed, the underpinning reasons and current trends outlined in **Career Crossroads** could likely continue, or potentially escalate.

For those partners of the Toigo Foundation and clients of Russell Reynolds, we hope to work together to ensure the best talent is retained, thrive, and become leaders in the finance industry.

Nancy A. Sims

Nancy Sims

President & CEO, Toigo Foundation

The Toigo Foundation invited Russell Reynolds to collaborate and conduct a survey and series of focus groups and executive interviews to examine the talent migration trend from traditional finance organizations (including global finance firms and asset management firms) into technology-focused businesses and to uncover the underlying rationale.

The top line survey responses indicated:

- 50% mid- and senior-level finance leaders are contemplating a departure from their current employer—a higher level than expected.
- Importantly, while one of every two professionals surveyed are considering leaving their firms, far fewer are rushing away from finance (20%).
- While not all departing talent is on a direct route to tech, a significant percentage is.
- The growing number of FinTech start-ups is providing what many perceive as a natural "path forward" from finance to tech—but, as our focus group participants were quick to point out, the way forward is not always smooth or clear.
- From notable senior executive moves to experienced recruiters, the route from traditional finance firms to technology companies is becoming well travelled. Financial institutions often appear to be "on the back foot" in attracting, and more importantly retaining, a talented and diverse workforce.

Executive Summary

Our survey found that the greatest material differentiators between those who expressed a desire to leave finance or their company and those with a preference to stay was for a more engaging and value-focused work environment. Employees want to know the work they are doing matters. Benefits, including compensation, flexible work conditions, were mentioned but did not dominate the conversation. Here's a summary of key observations.

- **Focus on Inclusion First.** A feeling of being included, of being welcomed and valued, is one of the most critical factors for employee engagement and loyalty. Hiring practices focused solely on diversity may be limited in scope to programs and data—on recruitment and retention numbers and how to quantify the presence of specific groups in the workforce. It's easily measured. Inclusion, however, is about individuals, engagement, community and participation—all having a positive sense of being welcomed and valued.

- **Mission and Value Alignment Are Tantamount.** More than ever, the heart of your organization—your mission—matters to employees. When it aligns with an individual's job focus, the bond can be strong; when it does not, loyalty and the individual's sense of purpose at work can be compromised. An organization's proclamation that emphasizes that its mission is to serve in the best interest of their clients may not resonate as a true mission. In terms of tapping talent for the future, Millennials, more than any other demographic in today's workforce, seek close alignment of their personal values, purpose in their daily work and for their organization's leadership to publicly support those values. Mid-career talent also reach a point in their careers where compensation levels no longer balance out or mitigate an unmet desire to feel valued and to contribute. It's a shift that prompts the "why stay" retention debate. This was a resounding theme voiced in our focus groups.

- **Flexibility & Choice Matter—But Not Most of All.** Employees expect choice—where to work, when to work. For many, this flexibility is freedom. Employers that provide it send a strong, positive message to employees and help reinforce a culture of trust, openness and inclusion. While offers of telecommuting, extended parental leave, unlimited vacation and other benefits were not the primary reason for leaving or staying with an employer, they are part of the mix. Companies that don't extend some form of these choices may face an uphill challenge on both the recruiting and retention front.

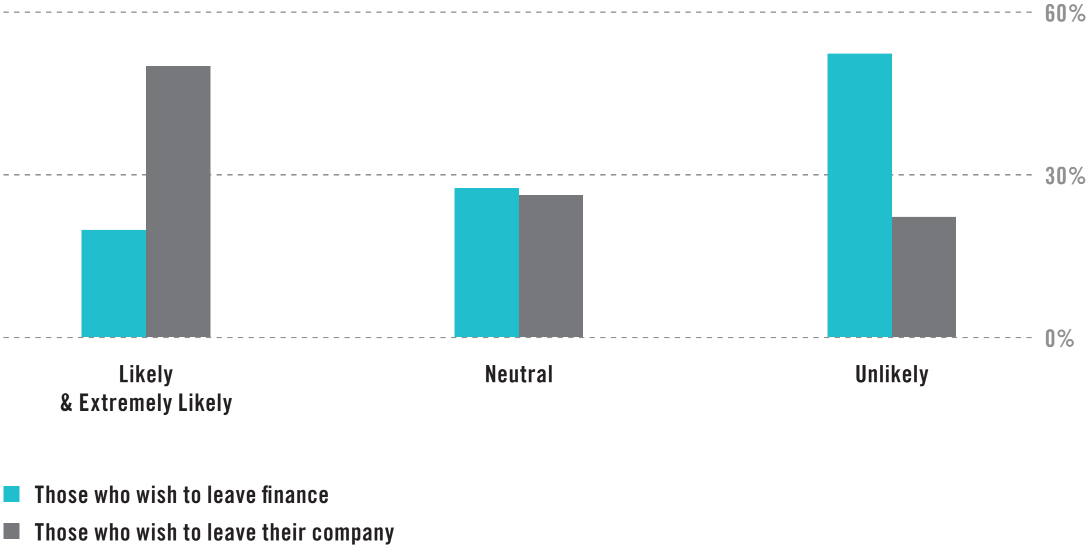
Career Crossroads: Key Findings

To assess what we saw as a growing talent migration trend from finance organizations to technology firms, Toigo and Russell Reynolds examined not only who is making the move and to what degree, but what the motivating factors are behind these career changes.

We know from our long-standing work with thousands of finance professionals and a broader group of experienced leaders that career decisions are personal, often very individualized with circumstances specific to each decision. We also believed there was value in stepping back and analyzing the collective moves to determine trend lines that warrant further discussions.

We hope these insights, in turn, will be helpful to finance organizations as they assess and work to strengthen their talent recruitment, and most of all, retention strategies. The findings are also intended to spark a dialogue about where time, energy and financial resources are being invested to ensure greater alignment based on today's talent mindset and motivations.

Likelihood of Leaving



Should I Stay—Or Should I Go?

At first glance, the assumption is that talent has its eye on Silicon Valley and growing tech-centric pockets across the country. There's growth there. There's opportunity. The work is engaging, often on the cutting edge. The lifestyle is cool. And the benefits can't be beat. But those are the easy "tells" and are only a fraction of the story.

When Toigo published its **Retention Returns** talent survey seven years ago, similar insights were identified. Talent was motivated to depart finance firms in what Toigo termed a "cycle of departure"—a series of identifiable and preventable events that coalesced into a sense of mounting frustration ranging from micro-inequities, lack of access to high visibility key work assignments and inadequate performance dialogue, to name a few. The current **Career Crossroads** study reveals a continuing concern in some of these areas but draws additional focus to more enterprise-wide issues such as mission alignment, meritocracy and more.

According to the **Career Crossroads** survey, 50% of finance employees surveyed indicated they are likely or extremely likely to leave their job over the next 1-3 years. While this represents an alarmingly high level of desire among mid-level finance industry professionals to leave their current employer, it is tempered by a much lower percentage of those who desire or plan to leave the finance industry overall (20%).

A key contrasting data point—that 50% of those currently in finance are unlikely to leave and 30% are neutral—is heartening. It underscores the fact that those who choose finance-focused careers genuinely like working in the finance industry, with organizations wholly dedicated to that discipline.

The 50% of respondents who indicated they want to stay are the industry's best champions. Finding a way to galvanize this group will provide employers with tremendous returns via employee loyalty and stronger engagement. The 30% who are neutral represent a significant tipping point. Finding a way for them to re-engage and join those committed to staying within finance becomes a priority. We view that finding as an indicator that talent is predisposed to stay versus move to technology (or another industry sector); that means the onus of finding ways to cement that engagement with a culture and supporting policies is more vital than ever.

Career Shifts

When you take a closer look at recruitment versus retention of talent, data affirms Career Crossroads survey findings—the MBA talent pipeline, in particular, has materially shifted from finance companies and consulting firms as the top post-MBA career paths to technology.

According to the data, full time, young professionals or entry level talent are increasingly looking beyond traditional paths to exploring finance-focused careers beyond Wall Street.

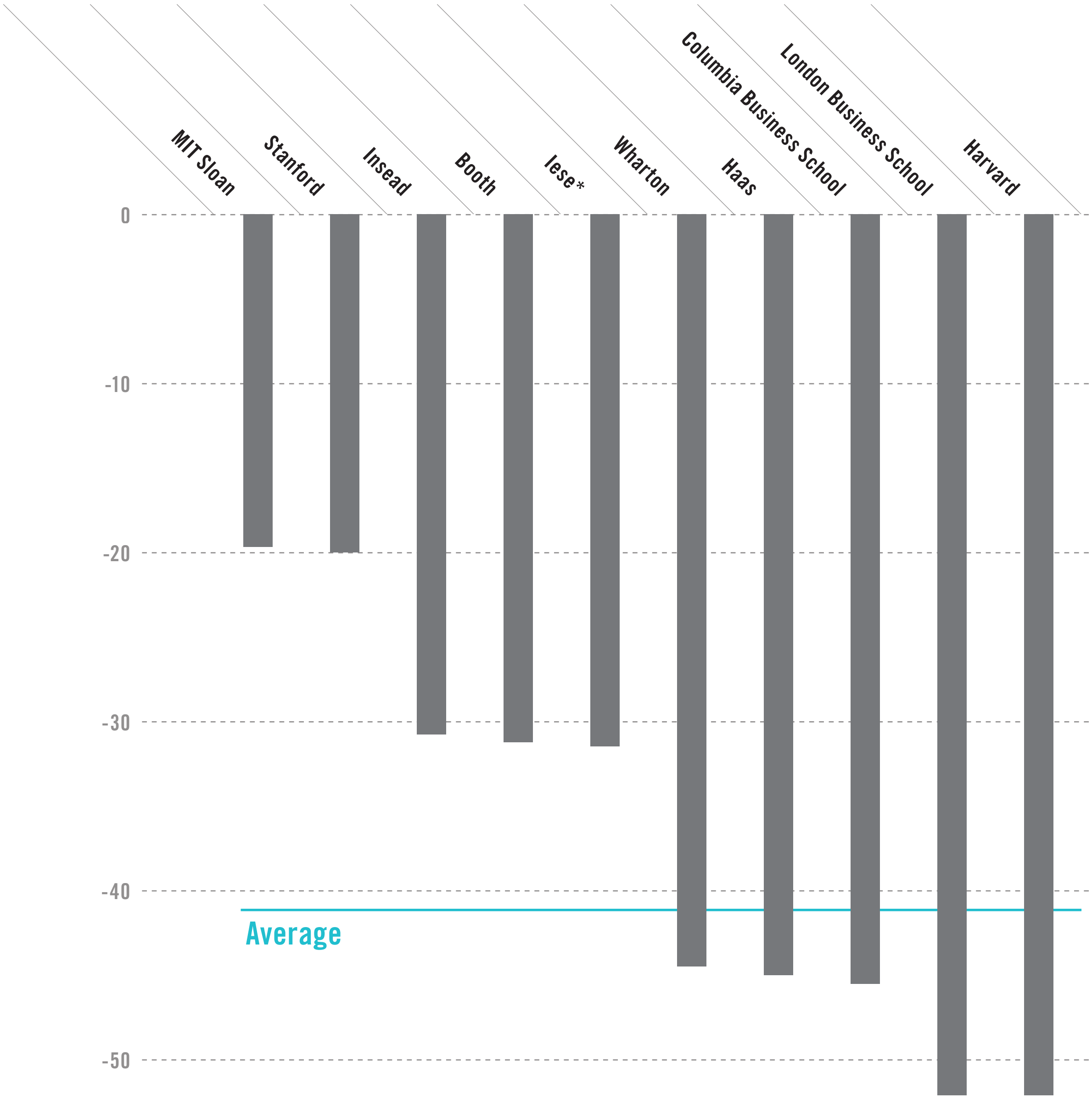
Not surprisingly, this shift is being further fueled by the presence of constant and active recruitment of talented recruiting professionals from finance organizations to lead and staff the expanding ranks within technology companies. In speaking with in-house technology company recruiters who transitioned from traditional global finance firms, the appeal of drawing in senior finance executives stems, in part, from the intention of technology companies to scale operations globally. Leveraging the experienced talent of global finance talent is, according to recruiters now in tech, a fast and effective strategy to support large infrastructure growth.

During the focus groups, several participants who made the transition from finance to technology expressed caution that as technology companies continue to grow and scale their operations, their culture and some of the flexibility and benefits offered may begin to shift.

Key Findings

MBAs Shift Focus From Banking

Change in popularity of investment banking between 2008 and 2014 (%)



Figures are % of full-time MBA graduates taking new jobs in investment banking, sales and trading, and brokerage unless otherwise stated.
* Figures are banking, not investment banking
Source: FT research

Freedom & Flexibility

Work/life balance has become an all-encompassing term in society. The most significant difference between those who indicated they would consider leaving their employer and/or the industry and those who are committed to stay was a desire among Leavers to find an employer with greater work/life balance and increased workforce diversity.

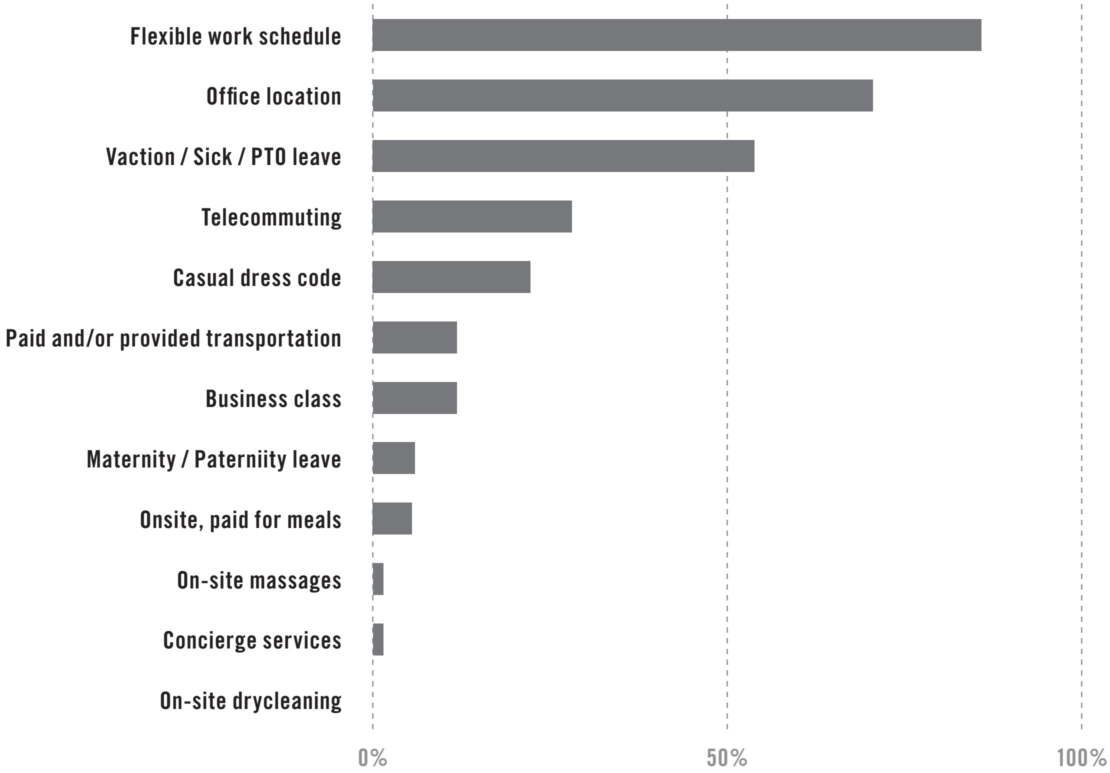
While careers in the finance industry and technology sector can be equally demanding, a key difference between the two is the perception of greater freedom and choice. Technology companies are widely perceived by talent to have a superior overall value proposition when it comes to work/life balance issues—in some cases this may be accurate, but not verifiable.

Flexibility in work schedule, time off and telecommuting were three of the four top factors for work/life balance. While companies often have limited ability to change office locations (2nd most important), the other three factors are directly within a company's policy control. The availability of telecommuting, in fact, helps mitigate or address the office location issue. In the medium to long term, companies can rebalance their geographic spread of teams towards locations that are more aligned with where talent wants to be, both at the city and at the global level.

Not surprisingly, the gap between how talent views what finance organizations deliver versus technology companies can be stark. Some of the biggest variances include telecommuting and flexible work schedules—both areas of noted importance. Casual dress was also an area where technology companies prevailed (by a factor of 100x), even with recent moves among several large global finance firms to adopt a casual dress policy.

For many years, the finance sector outpaced the technology sector in the compensation and immediate monetary benefits (base pay and bonus versus base pay and stock options that might—or might not—reach a 5 – 10x multiple.) To compete, technology start-ups loaded up offers with perks, from the requisite stock options to unlimited vacation time, as well as Uber rides, to in-house chefs preparing three meals per day, personal trainers, and paternity leave.

Work/Life Balance—Importance of factors



Today, the two industries are more aligned in terms of cash compensation. This parity stimulates MBA graduates and mid-career professionals to begin thinking about options, particularly if work is perceived to be less impactful. Compensation differences no longer become the driving factor for choosing—and staying with—a given career path. Given that, it's incumbent upon finance organizations to focus on culture backed by policies and operations that reinforce the value of individuals beyond the job that an individual performs.

Core Themes: A Look at What Matters Most

Three core themes emerged from both the survey findings and focus group discussions. Exploring each provides a look into the talent migration trend; we hope, in turn, that these insights inspire finance organizations to take a careful and critical eye into their own culture and operations, address some systemic issues and stem (or better yet) reverse the tide of departures.

1. Inclusion—The Critical Starting Point

A feeling of being included, of being welcomed and valued, is one of the most critical factors for employee engagement and loyalty. Too often, diversity and inclusion are used interchangeably; yet, the two efforts are different. Inclusion is an impassioned, distinct step in an organization's strategic process. Inclusion captures the culture and values of an organization. It allows for a seat and voice at the table, in the investment project or deal, in the strategy of the team—and ultimately in the growth of the organization and individual.

Hiring practices focused too heavily on the concept of diversity can begin to sound like the construct or traditions of affirmative action of the 1960s and underscore emphasis on measurable programs, numbers and data, including tracking the presence of specific groups in the workforce.

In contrast, an emphasis on inclusion brings attention on ensuring individuals—all individuals—have a positive sense of being a part of the organization. Career Development initiatives and performance management are key components of inclusion. How to evaluate talent potential, to match with future opportunities, and improved communication on potential are a few examples that drive potential for great inclusion.

Inclusion, as many leaders know, is the more challenging and elusive element to achieve and sustain. It's a confluence of different factors, including leadership / tone at the top, workplace policies, tenor of employees, and more. A resounding sentiment voiced during the focus groups is that the commitment to inclusion must be absolute and ingrained in the organization's DNA—it needs to be honest and authentic. If it's proclaimed from the top, but policies or practices in place fall short of that commitment, employees begin to question the value of the claim.

At the same time, for some organizations, a focus on diversity becomes very narrow with a focus on race, gender or cultural heritage. Unfortunately, diversity of mind or thought is rarely woven in to the mix. As a recent HBR article authored by Alison Beard entitled *"If You Understand How the Brain Works, You Can Reach Anyone"* notes "you can have women and minorities represented, and that's great—but they may all share the same temperament, so the group isn't as diverse as you think."

This absolute creates appeal to organizations to reconsider how they are investing their efforts—and budgets—when it comes to initiatives intended to make all talent feel connected. Both Toigo and Russell Reynolds view the issue as an opportunity for teams to reflect and measure.

Conversations

"After a few years in an analyst program where life can be pretty brutal, I transitioned to tech where the company says: 'We care about you.' That message alone gives you a sense of belonging and value. In banking the messages are conveyed through your bonus. Not everyone is motivated solely by money. We want to feel engaged."

"Finance could be better served if they tried to flatten their organizational structure and get to know their people—even at the department level. I'm much more than simply a pitchbook."

"In tech and media, it is not perfect—but in general, there is a much higher level of awareness and consciousness around bias than in finance."

"To build an inclusive culture, you have to be authentic and genuine about it. Simply updating a website or recruiting materials to show underrepresented talent doing cool work won't change an employee's mind if they are considering Facebook. They have to do more."

"Banks feel they are above fray and when they do outreach. People can see through that. If you tell someone you are doing 'XX,' they'll do a quick reference check to see if it's true. I have to experience the change as a part of the firm's culture."

2. What You Stand For and How Employees Hook Into That Matters—A Lot

One of biggest tipping factors among talent currently working in the finance industry to explore alternative career options was a perceived absence of a mission-driven ethos within the industry. While an organization may generate hundreds of millions in revenue, it's mission and what the business itself stands for—beyond, of course, serving clients—is not always articulated clearly. As one focus group participant noted, "the perception is that finance companies' "mission" is a monetization strategy. The importance of mission and alignment or a belief in that mission is amplified among Millennials who seek purpose and impact in their work; in fact, for next generation talent, impact is no longer a nice to have, it's a basic requirement.

Consider those with six to ten years of finance industry experience—the spot when individuals are looking to move up but finding themselves moving out. Recruiting and hiring (particularly diverse hiring) slowed significantly during the downturn in 2008/09/10. With class recruiting at an all time low for those periods, the population of diverse talent with eight to ten years experience is sparse. Given that, the need to retain this talent segment is key.

For technology companies, the underpinning of a company's purpose is innovation—a push for new, better, different. We are wired with a desire to feel like our work matters, that it contributes directly to the advancement of a cause (innovation that saves lives, helps to connect, educate, etc.). If that advancement directly contributes to positive growth—increased share value, team success, a new product that customers love—the engagement and sense of purpose is amplified.

Employer and mission alignment goes even deeper than the company's business focus—it extends to social awareness and interaction as well. While finance organizations operate in a more regulated arena that often constrains and prohibits certain public or internal communications, technology companies operate outside those constraints. For some, that difference matters.

Conversations

"I envied my counterparts at the Googles and LinkedIns of the world—any time a crisis popped up, the CEOs would take a stance and employees would feel energized to act. That would never happen in finance, they've always tried to be neutral."

"A lot of tech perks are frivolous but what people want at the end of the day is a sense of fulfillment."

"Waves of regulations have instilled an unfortunate mindset of 'don't rock the boat' or do what is necessary—losing opportunity for innovation and new approaches."

"To hear, 'Don't spend a lot of time being creative because you'll spend energy and people will get mad at you,' is disenchanting."

"I enjoyed some of the work in finance but to what end; I could not see myself doing it for 20 years."

"The term "innovation theatre" has emerged. Every Wall Street firm is guilty of it: let's get an incubator, get $100 million dollar venture firm to buy this venture out and have APIs."

"Fundamental issue is finance companies don't align very well with a mission; Google has a mission and a monetization strategy which is its business model. Google's mission is to organize the world's information and its monetization strategy is to be the best advertising company in the world. If Google was started as an advertising company, it would never have existed."

3. Flexibility & Freedom Are Important—But Not A Deciding Factor

Change and transition on the talent front is inevitable. Gallup's sweeping 2016 "State of the American Workplace" study indicates that 50% of current employees are considering a job change. Our Career Crossroads findings, albeit using a smaller sample size and concentrated solely on finance firm employees, mirrors the trend.

Career Crossroads has helped shed light on what may be the underlying catalyst for talent migration , and it is deeply entrenched—both in the minds and hearts of talent and within the corporate culture. A lack of feeling included and valued, and a misalignment of personal values and a company's perceived values are a strong and persistent undertow.

Addressing what internally might be seen as "easier fixes" is often the first, logical move—mostly because a deep and thoughtful examination of corporate culture requires an enterprise-wide effort. The "fixes" often include adding benefits, like shifting the dress code to casual or dry cleaning on site. While benefits aimed at addressing work/life imbalance are welcome and often applauded, they will not, on their own, stem the tide of departures or amount to a sustained cultural shift. They may prompt a rising professional to pause and take note, but in the end, all the benefits in the world will prove hollow (even disingenuous) without a broader, inclusive corporate culture.

One theme that was continually raised during the **Career Crossroads** focus groups was authenticity. It's important that teams consider authenticity in relation to both diversity and inclusion. If a firm's initiatives do not ring true, they discredit all efforts put forth to draw in new talent. Holding a women's leadership lunch once a year while retention of women continues to slide and hiring remains flat, for example—illustrates that the efforts quickly become counterproductive.

New policies and offerings have been adopted by financial institutions to address work/life balance concerns. Intentions are genuine, as teams want to better understand and actively address the issues. The survey respondents offer that these steps are more effective if they are not tied to a "trigger event" but a broader organizational mission to create a culture of inclusion.

What Matters Most

Conversations

"Despite overall compensation levels coming down in finance, it currently remains a very predictable career to reach high compensation over 15 – 20 years."

"It's about finding the home-grown initiatives that people can get behind and champion. My experience at banks was that the initiatives didn't feel connected to any group. It is about getting buy-in from individual divisional leaders to make their teams feel like a culture."

"As a male, I feel that tech industry women, particularly engineers, are undervalued; it's a low bar and nowhere near successful. But people in tech seem to be more aware of bias. The first step is awareness."

"The tech industry has turned itself into a recruiting engine through content and giving people stuff. Companies make people feel they really care about them."

Ideas and Actions to Consider

How can finance companies utilize the content and issues raised in Career Crossroads to reflect on their own policies and approaches—and find areas that may be contributing to talent departures?

We have identified five key areas to explore further. For each, we've offered some thoughts and internal conversation starters, as well as outside materials that we believe will provide added insights into the issue and may spark new ideas and guide you in your strategic discussions around talent management today and in the future.

1. Reframe: Ask Different Questions

Oftentimes, exit interviews explore what prompted an individual to leave. Instead, why not ask early and often, what makes an individual want to stay? What factors cement their loyalty? How can that engagement be leveraged—minted—to help others feel the same?

50% of those surveyed are likely to stay in finance—a strong percentage.

- How can firms identify these "stayers"?
- How can teams leverage and strengthen this commitment?

Other studies underscore that individuals don't leave a company, they leave their bosses. This presents a challenge to companies to ensure team leaders and policies accurately reflect the company's culture and commitment to inclusion. Stating a commitment versus acting on that commitment day-to-day is often where disconnects (and discontent) occur.

- What are the current processes and ways of working that add to a sense of engagement—a feeling of being valued?
- What actions or policies are undermining that connection?
- What mechanisms exist that allow for open, constructive dialogue to hear concerns with being caught by surprise or disappointment that key members are leaving?
- What can firms do beyond compensation to make individuals feel more gratified and more valued in their careers?

The Undecided—those neutral on leaving finance and/or their company—are the most vulnerable group. This talent is still "in play."

- Are firms/managers engaged sufficiently with their teams to know who these individuals are?

2. Working Together

The overwhelming response among our focus group participants was that the work being done (especially in the years immediately following an MBA) seemed routine and adding little, if any, value to the organization. As many finance firms invest heavily in technology-based solutions (both client-facing and operational), there is a tremendous opportunity to include a broader base of talent in this process.

By broadening a rising professional's scope of work to include tech-based solutions and strategies, a finance firm may have a win/win and a more robust business solution. Breaking down the hierarchy and silos that can exist between teams and functions is something technology companies have done since the early days of Silicon Valley—and is a move that may be a starting point for finance organizations seeking to shift to a more open, collaborative culture to consider.

- What ad hoc initiatives or ongoing brainstorming committees could allow leadership teams to allow talent to directly impact the broader business?
- What other non-traditional approaches could teams consider to better tap the thinking / cultivate ideas from its current talent?
- How can finance organizations re-orient/train senior managers to be stronger, more inclusive leaders?
- What can finance organizations do to better assess the core skills of talent and utilize that talent more broadly for strategy, change, and innovation-driven initiatives?
- How can artificial divisions between teams be removed to encourage more team-based work—and results?

3. Make "Mission" an Every Day Meal

Making the mission more tangible and tethered to what talent does every day helps bring the mission—and a sense of purpose—to life. This, by all accounts, is what many are considering a shift from finance (and those who have left) communicate as the key missing element.

Mission-driven leaders help all employees and managers understand why an organization exists and its purpose. They boldly affirm what the company hopes to achieve and push toward the desired results. It requires clarity and guts. Mission-driven leaders teach managers how to align daily operations with the company's mission, and they encourage understanding and passion for that mission among all employees. What can you do to maximize mission-driven leadership within finance? How can the business' overall mission of solutions and service excellence be expanded? While serving clients is core to virtually every finance firm's mission, there are opportunities for firms to clarify their mission further, especially when the beneficiaries are public servants, schools, and children, to name a few.

We think the Gallup* recommendations are an ideal place to start:

1. Ask your team members from leadership all the way to new grads, "What do you get paid to do?" Listen for statements that reflect mission in their answers.
2. Ask them to discuss when they have recently seen the company mission in action.
3. Coach leaders about how to use their strengths to advance the company mission.
4. Ask customers if they are aware of your company's purpose. Their responses will shed light on their awareness of your brand.
5. Evaluate strategic objectives every year, asking why each is a focus and how do they serve your mission? How do they serve your customers, clients or members?
6. Assess how your team stacks up against others in your industry. Which employees are most engaged with your mission? What's different about them?

* For more on Gallup's findings on mission alignment, see:
http://www.gallup.com/services/178031/gallup-perspective-organizational-identity-pdf.aspx?utm_source=genericbutton&utm_medium=organic&utm_campaign=sharing

4. Put FinTech in Perspective

The truth is, FinTech is not new—though to many, it feels that way. With investments in FinTech on the rise, recruitment into start-ups that bridge the tech/finance worlds has been steady and of increasing interest to the young finance professional.

While many perceive this hybrid area of finance and technology to be the best pivot into technology, the transition is not always easy or smooth. What many pursuing careers in FinTech quickly discover is their work, like the name implies, will be combination of two sectors that have operated predominantly on different plains—finance with regulatory and other market conditions and technology with its promise of efficiency and new ways of working.

Here's what professionals who made the move shared:

"Someone who has been successful in finance often thinks they can make the jump to tech. But tech to a large extent is a meritocracy. It is more about being able to do the things required but may not have the proper credential; it does not matter what business school you went to."

"Going to pure tech play from finance is very difficult because it's how you think, even the basics, is totally different."

"The way I positioned myself to transition to tech from finance was that I have a core tech background and also an analytical strategic skillset to add on top of that. They found that to be attractive but that is not always possible."

"One opportunity for an easier transition to FinTech is the B2B space—there is need for subject matter experts and finance professionals can provide that. Background in trade settlements, for example. But you need to be fairly senior in your career for this transition to be successful."

"For people thinking of building a career, you ask: Do you want to be part of an industry that is driving digitization and change, or the one that is being changed? Driving this change ultimately gives you a mission driven organization."

It's worth examining how FinTech companies and investors are positioning opportunities—and then reviewing how these opportunities are being framed within large, more entrenched finance organizations. This may prove to be a valuable way to retain and engage employees who are seeking a more entrepreneurial environment and want to remain in finance.

- How can we structure projects more like a technology organization—with an eye toward product development and deployment?
- How can technology companies' meritocracy mindset and flat hierarchy be more pervasive within the finance arena?
- How can new, innovative ideas be captured, explored and utilized—not marginalized?

5. Use Uncertainty To Your Advantage

One of the big draws of the technology sector is its focus on creating the next new “thing.” It’s an industry that mints possibilities—and relies on uncertainty.

In contrast, existing and incoming talent too often view the finance industry as predictable, even hierarchical, a sector that’s set in traditions (in part due to regulatory boundaries.) In fact, the opposite is true.

Global markets and the movement of capital is at a crossroads—a time of change and uncertainty. Decisions are being made today that will impact which firms are positioned to thrive. Marrying these possibilities (and uncertainties) with your overall mission can provide a provocative and enticing scene for talent. It’s an environment that provides an opportunity to contribute new ideas and have an impact—a real chance to voice an opinion and make a difference.

Survey Demographics

Career Crossroads includes responses from over 300 finance professionals. It covered a broad cross section of the global financial services universe including ethnic, regional, gender, and career diversity. Together, the Toigo Foundation and Russell Reynolds team members reviewed the data and identified key themes for further review in both focus group sessions with finance professionals and Toigo alums, as well as with executives at Financial Services and Tech organizations.

What's Next

Get Involved

About Toigo

Toigo's mission is to foster the career advancement and increased leadership of underrepresented talent by creating mechanisms for greater inclusion from the classroom to the boardroom.

Today's—and tomorrow's—workforce is more diverse than ever before. More women, more minorities and more professionals are beyond retirement age. Every individual has unique strengths to bring to an organization, yet for too long, employers have failed to attract and retain sufficient levels of diversity. The challenge and opportunity of employing diverse talent is a strategic mandate, not a social one. Diverse teams deliver better results as measured by profits, performance and more. With a growing body of research and proof points, forward-thinking leaders know that finding and hiring diverse talent is vitally important. It's good for the bottom line and drives improved employee morale and customer loyalty. Why then, have statistics around diverse work forces remained stagnant? The supply—qualified talent—is at the ready.

Toigo is focused on ensuring that talent poised to lead is given an opportunity to do just that: lead and make a difference. Reach out—let's lead together.

About Russell Reynolds Associates

Authoritatively, Russell Reynolds Associates is a global leader in assessment, executive search and succession planning for boards of directors, chief executive officers and key roles within the C-suite. With more than 400 consultants in 47 offices around the world, we work closely with public, private and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today's challenges and anticipate the digital, economic, environmental and political trends that are reshaping the global business environment.

Time to Act

Ready to talk? Reach out today and start a dialogue.

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